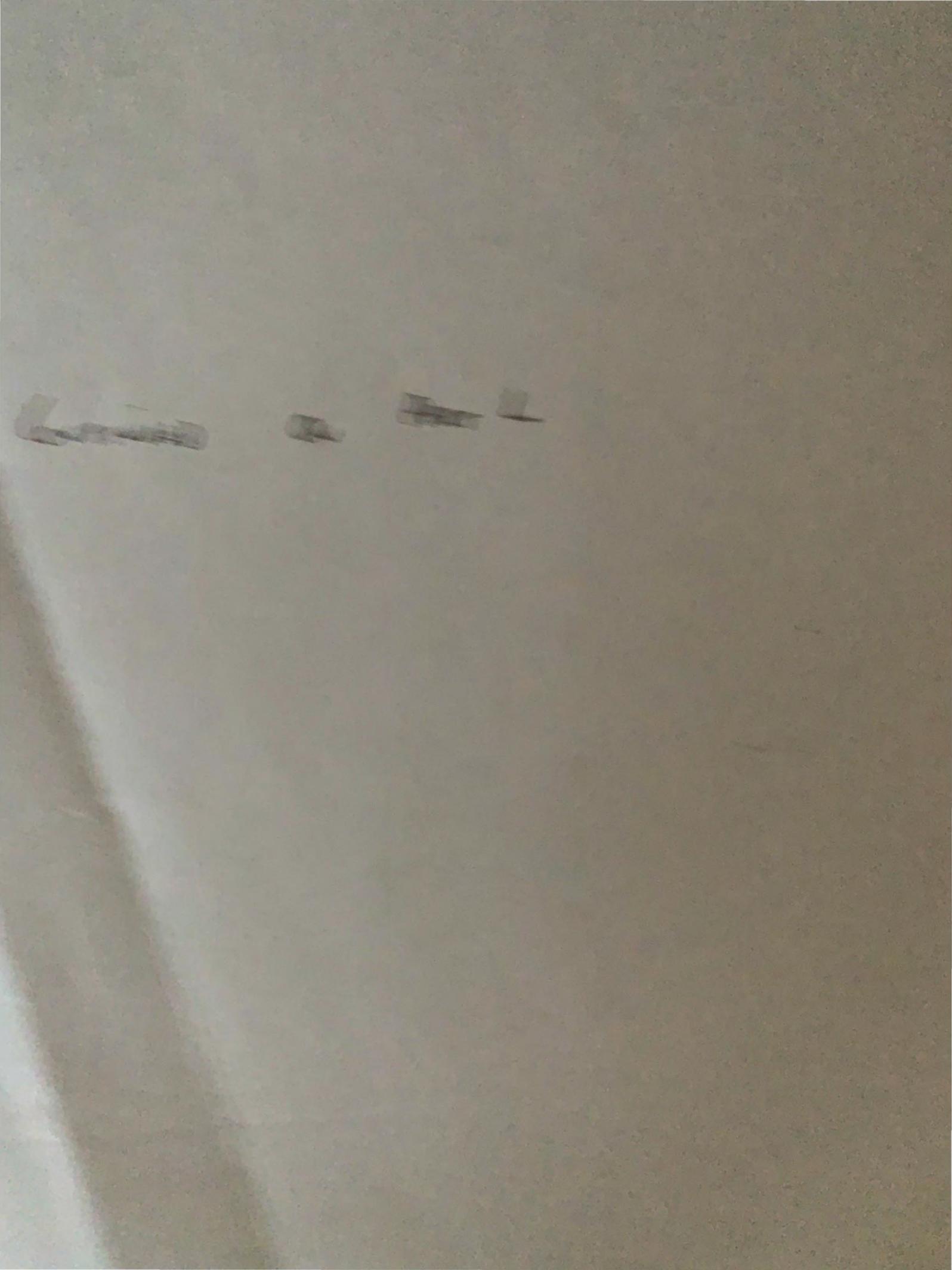


START of file



Message from the Taoiseach to Mrs. Margaret Thatcher, M.P.

As your period of office as Prime Minister comes to an end I would like to convey to you my congratulations on the historic length of your tenure and my best wishes for the future.

I greatly valued the many useful discussions we had on Anglo-Irish relations, Community and international affairs, culminating in our contacts during the recent Irish Presidency of the Community.

The issues involved in Anglo-Irish relations are difficult and complex but I believe that our first meetings in 1980 commenced a process of placing these relations on a new plane. I know you share my earnest wish that the process begun by us then will lead to the establishment of a framework reflecting the totality of relationships within these islands and accepted by all, within which peace can come about in Northern Ireland and in which harmony and hope will prevail.

22 November, 1990.

**Statement by the Taoiseach, Mr. Charles J. Haughey, T.D.
on the Resignation of the British Prime Minister,
Mrs. Margaret Thatcher, M.P.
Dail Eireann, 22nd November, 1990.**

I should like to give the Dail the text of the exchange of messages between the British Prime Minister and myself today.

The British Prime Minister's message reads as follows:

"By the time you receive this message, you will probably already have heard this morning's announcement from 10 Downing Street of my decision to make way for a successor, and to resign as Prime Minister as soon as the Parliamentary Party has completed the necessary procedures for electing a new leader. I shall of course remain in charge of the Government until my successor has been appointed.

I should like to thank you for the great co-operation and friendship which you have shown me during our time together in office, during which so much has been achieved, and I send you my warmest good wishes for the future. I know that my successor will continue to attach the highest importance to the relations between our countries."

My message was in the following terms:-

"As your historic term as Prime Minister comes to an end I would like to convey to you my congratulations on your long tenure of office and my best wishes for the future.

I greatly valued the many useful conversations we had and the co-operation we were able to achieve in many areas of Anglo-Irish relations. I recall too our work together in the Councils of the European Community and in international affairs at a time of great change.

I believe that our first meetings in 1980 commenced a process of placing relations between our two countries on a new plane which can lead to the establishment of a framework reflecting the totality of relationships within these islands."

21539 K

MEETINGS BETWEEN

TAOSEACH & BRITISH

P.M.

TEMPORARILY COVERED

AMBASAD NA DEIRIANN LONDAN



HIGH EMBASSY LONDON

SEEN BY
PAOLISACH

17 Grosvenor Place

SWIX 7HR

215394

PST; PCW
16/11/90
Cable #1
13/11

Mr. Roman

5 November 1990

Dear Assistant Secretary

We have, in earlier reports on the problems facing Mrs Thatcher and the Conservative Party (e.g. her personal image, Cabinet disunity, unpopular domestic policies, the economy and Europe), made the point that Europe is a particular issue at the heart of her problems and one guaranteed a high profile at least every six months on the occasion of Summits. With the tendency to hold more frequent European Councils and given the substantial and controversial issues now under consideration in connection with the IGCs which have led to heightened tensions in the Conservative Party, Europe acquires a higher place in the hierarchy of the Prime Minister's difficulties.

It would be unwise at this stage to attempt to draw conclusions regarding the effect of the resignation from the Cabinet of Sir Geoffrey Howe. There is an undoubted substantive difference of approach to further European integration between the Prime Minister and the majority of her Cabinet and parliamentary party. Her own purpose, expressed in her informal responses in the Commons, is "to retain the power and influence of the House"; "We have surrendered some (powers and responsibilities) to the Community and in my view we have surrendered enough". Howe could, while Deputy Prime Minister, speak with equanimity of the Queen, by Order in Council, amending a Statute (the Merchant Shipping Act 1988) passed by the Westminster Parliament only a year earlier, in order that the UK could comply with an interim order of the European Court of Justice - an "act" the necessity for which reportedly outraged the Prime Minister. The Foreign Secretary to-day says that Britain has sacrificed some of its sovereignty and will sacrifice more. It is not, therefore, correct to say (as have some Ministers) that all that lies between the Prime Minister and Sir Geoffrey are questions of tone and presentation.

However, the Conservative Government will make strenuous efforts to restore the appearance of unity and to close ranks around the official (Foreign Office) line on Europe, as expressed by Mrs Thatcher in her formal report on the recent European Council:

"...Britain intends to be part of the further political economic and monetary development of the European Community. That is what the great majority of member states want, too. When we come to negotiate on particular points, rather than concepts or generalities, I believe that solutions will be found which will enable the Community to go forward as Twelve. That will be our objective"

and

1...

Taseraid
To see pl.
12/11

"...while we fully accept our commitments under the treaties and wish to cooperate more closely with other countries in the European Community, we are determined to retain our fundamental ability to govern ourselves through Parliament. I believe that that is the wish of this House and we on this side will do our best to see that it is fulfilled".

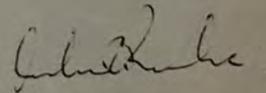
They will hope also, as the new Leader of the House, John McGregor, has said, to get agreement on the tone and tactics. There is an implicit recognition in statements such as this, and in Mr Baker's immediate reactions to the exchange of letters between Mrs Thatcher and her Deputy, that the Prime Minister's off-the-cuff responses in the Commons, in contrast to her formal report on the Summit, were unnecessarily trenchant and divisive.

Indeed, her most strident denunciation of European proposals (No, No, No!) was addressed to remarks by Delors at a press conference that he wanted the European Parliament to be the democratic body of the Community, the Commission to be the Executive and the Council of Ministers to be the Senate - proposals which nobody believes to be remotely likely to be on the table as serious issues.

We will have a clearer view of the possible implications of this latest European row on the leadership of the Conservative Party and on their prospects when we have seen the response, particularly from the Conservative backbenches, to the Queen's Speech later this week.

The Cabinet hope to achieve a closing of ranks and a moderation of Mrs Thatcher's tone. If they succeed, their problem on European Affairs in the run-up to the General Election would clearly be greatly eased by a willingness on the part of the other member States to proceed towards EMU and EPU in a pragmatic and step-by-step way and, perhaps, by stringing out the IGCs into the second half of 1991; on the other hand insistence on qualitative moves involving greater supra-national powers for Community institutions would ensure a recurrence of crisis in the party. In either case, given dissatisfaction with domestic policies (poll tax, education, NHS) and the poor economic prospects, including high inflation and interest rates and growing unemployment, Tory electoral prospects are increasingly dismal.

Yours sincerely



Andrew O'Rourke
Ambassador

Mr Dermot A Gallagher
Anglo-Irish Division
Department of Foreign Affairs
Dublin 2

c.c. Mr T Barrington

END of internal file

DATE 27 June 1990VOL:
NO:
COLS:

991

Questions—

27 JUNE 1990.

Oral Answers

992

Mr. Noonan (Limerick East): It will be very peculiar political union if there is not a common security policy, a common foreign policy and a basic constitution to underpin the rights of all citizens. It is a very peculiar idea of unity.

The Taoiseach: I think the Deputy is running ahead of the rest of Europe.

Mr. Noonan (Limerick East): The Taoiseach is running behind. It is like *Alice in Wonderland*.

The Taoiseach: The Deputy is indulging in a little fantasy at the moment.

Mr. Noonan (Limerick East): I am surely entitled to a day's fantasy after the Taoiseach's six months' fantasy.

7. **Mr. Dukes** asked the Taoiseach if, in the margin of the European Council meetings on 25 and 26 June 1990, he discussed Anglo-Irish affairs with the Prime Minister of the United Kingdom.

The Taoiseach: I had a full meeting with the British Prime Minister during the course of my recent tour of EC capitals in preparation for the European Council, and we were in contact regularly during the Council. In these circumstances, a special meeting as suggested by the Deputy was not considered necessary.

Reconstruction Grants.

8. **Mr. Sheehan** asked the Taoiseach if it is his intention to introduce reconstruction grants in the near future for the restoration of old stone buildings of historical importance.

The Taoiseach: I have no plans to introduce a special scheme of grant assistance specifically for the restoration of old stone buildings of historical importance. The National Heritage Council, however, has responsibility for distributing national lottery funds to heritage projects coming within its area of

responsibility and this includes restoration of buildings of architectural importance. Applications should be made directly to the National Heritage Council and all applications are considered on their own merits.

Mr. Sheehan: In view of the Taoiseach's professed love for historical objects and buildings and also in view of the fact that his Minister for the Environment recently introduced special grants for thatched houses, surely it is not beyond the bounds of possibility that a similar grant can be extended to stone buildings and buildings of historical importance.

The Taoiseach: That is what the National Heritage Council are there for.

Mr. Sheehan: The Minister for the Environment organised reconstruction grants for thatched houses two weeks ago. Will he consider including stone buildings and other buildings of historical importance.

The Taoiseach: It is much better that these important buildings be dealt with through the National Heritage Council who have the expertise to consider the whole merits of the building and so on and have the capacity to decide what aid should be given. They have been doing a very good job and I hear no complaint throughout the country about the National Heritage Council. They have not a very big budget but they are dispensing their budget very judiciously and with great care and selectivity. If the Deputy is interested in any stone building or any other building or architectural merit he should have no hesitation in getting in touch with the National Heritage Council.

Mr. Sheehan: Will finance be available from the National Heritage Council for such work?

The Taoiseach: They have funds available for such work.

Department of the Taoiseach

To be dealt with **IMMEDIATELY** and not placed with other papers.

PARLIAMENTARY QUESTION

To be answered on: Wednesday, 27th June, 1990.

Regd. No.	Put down by:— Deputy Alan Dukes	Question
	Description: To ask the Taoiseach if, in the margin of the European Council meetings on 25th and 26th June, 1990, he will discuss Anglo-Irish affairs with the Prime Minister of the United Kingdom.	7

Referred to	Date	Referred to	Date
H. Keenan	26/6/90		
Taoiseach	27/6		
Mr. Nally	28/6		
D. Keenan	28/6		
M. McCarthy	28/6		
H. Costello			

Immediately action is concluded these papers should be returned to

QUESTION NO: 7

DÁIL QUESTION addressed to the Taoiseach
by Deputy Alan Dukes for answer on
Wednesday 27th June 1990.

QUESTION:

To ask the Taoiseach if, in the margin of the European Council meetings on 25th and 26th June, 1990, he discussed Anglo-Irish affairs with the Prime Minister of the United Kingdom.

REPLY:

I had a full meeting with the British Prime Minister during the course of my recent tour of EC capitals in preparation for the European Council, and we were in contact regularly during the Council. In these circumstances, a special meeting as suggested by the Deputy was not considered necessary.

*In letter
re the work of
the 7 15 June on
our PA file.
RSD*

Note for Taoiseach's Information

On 19th June last the Taoiseach answered questions relating to his tour of EC capitals, including his meeting with the British Prime Minister. The reply stated that in that meeting they also touched on the situation in Northern Ireland and noted the progress in the arrangements being made for talks on the situation there. The relevant Dail Debates are attached.

He also mentioned progress in Northern Ireland was raised; and if he will make a statement on the matter.

FRANKLIN DE ROOSE

QUESTION NO. 11

To ask the Taoiseach if he will make a statement regarding his meeting of 13th June 1993 with the British Prime Minister.

DICK SPRING

QUESTION NO. 12

To ask the Taoiseach if he will make a statement regarding his meetings with the Dutch and Luxembourg Prime Ministers; and, in particular, if he will outline the content of those discussions insofar as they referred to the removal of sanctions against South Africa.

DICK SPRING

QUESTION NO. 13

To ask the Taoiseach if he will outline the full agenda of the European Council Meeting to take place at the end of the month, and if he will make a statement on the matter.

DICK SPRING

QUESTION NO. 14

To ask the Taoiseach if he is planning any meetings or sessions at the EC Summit Meeting at the end of the month, and if he will make a statement on the matter.

DICK SPRING

QUESTIONS NOS: 13, 14, 15, 16 & 17

DÁIL QUESTIONS addressed to the Taoiseach
by Deputies Spring and De Rossa for answer
on Tuesday 19th June 1990.

QUESTION NO: 13

To ask the Taoiseach the matters discussed with the British Prime Minister at their meeting in London on 13th June 1990; if the current state of Anglo-Irish relations was discussed; if the proposals of the Secretary of State for Northern Ireland for political progress in Northern Ireland were raised; and if he will make a statement on the matter.

PROINSIAS DE ROSSA.

QUESTION NO: 14

To ask the Taoiseach if he will make a statement regarding his meeting of 13th June 1990 with the British Prime Minister.

DICK SPRING.

QUESTION NO: 15

To ask the Taoiseach if he will make a statement regarding his meetings with the Dutch and Luxembourg Prime Ministers; and, in particular, if he will outline the content of those discussions insofar as they referred to the removal of sanctions against South Africa.

DICK SPRING.

QUESTION NO: 16

To ask the Taoiseach if he will outline the full agenda of the European Summit Meeting to take place at the end of the month; and if he will make a statement on the matter.

DICK SPRING.

QUESTION NO: 17

To ask the Taoiseach if he is planning any meetings on the margins of the EC Summit Meeting at the end of the month; and if he will make a statement on the matter.

DICK SPRING.

REPLY:

It is proposed to take Questions 13 to 17 together.

The meetings the Deputies refer to were part of the tour of EC Capitals, which I have now completed, in preparation for next week's meeting here of the European Council.

In line with established practice, it would not be appropriate for me to disclose details of these discussions, which are confidential to the participants, except to say that the discussions concentrated on the likely agenda items for the Council. I outlined these in my Statement in the House on Thursday last. In my meeting with the British Prime Minister, we also touched on the situation in Northern Ireland and noted the progress in the arrangements being made for talks on the situation there.

The tour was very useful and, as I mentioned in the House last week, all my colleagues expressed approval for the approach we intend to take. It is clear that we now have the basis for a fruitful discussion and concrete decisions at next week's meeting, on which I will of course be reporting to the House.

Meetings take place in the margin of a Council in the normal course as business requires. It is impossible to say, in advance, how many such meetings will occur or when, at the Council next week.

Suzanne Levene
/me

④ Mr. Hanly

1. In the...
2. In the...
③ Mr. Coakley
M. Coakley
20.6.92

Add Nos. 13 to 17.

Proinsias De Rossa: In relation to the Taoiseach's meeting with the British

Prime Minister, Mrs. Thatcher, I should like to ask him to indicate if he is satisfied with the progress made in the Northern Ireland talks, particularly in view of some of the comments made in recent times by various spokespersons in Northern Ireland? Does the Taoiseach envisage that he will be in a position within a short while to make a statement to the House with regard to those talks? I understand that Mr. Brooke will be making a statement to the British House of Commons sometime in July and I should like to ask the Taoiseach if he expects to make a statement at that time or beforehand.

The Taoiseach: As I informed the House, the British Prime Minister and myself expressed our support ~~and encouragement~~ ^{and} encouragement and appreciation of the efforts that the Secretary of State is making. I am aware of the fact that the Secretary of State, Mr. Brooke, intends to make a statement to the House of Commons fairly soon. I undertake to monitor the situation in that regard and see when it could be appropriate for me to make some announcement from our end. ~~xxxx~~ Of course, the overriding requirement in this is that neither of us should make any statements which might in any way detrimentally affect the process.

Mr. Spring: I should like to put a number of questions to the Taoiseach in relation to his meeting with the British Prime Minister. I concur totally with his last remark, that we should be cautious in these matters. I should like to ask the Taoiseach if he would consider, yet again, a briefing for the leader of the Opposition Parties in the House as has been done for all leaders of the parties and others, in Northern Ireland? ~~xxxx~~ Will the Taoiseach say if the question of the Birmingham Six was raised at his meeting with the British Prime Minister.

The Taoiseach: I do not like to give particular indications as to what was or was not raised but the Deputy can take it that the latter is a matter which is constantly on the table in all aspects of Anglo Irish relations. I shall have to consider, as the talks proceed, his other request. It is too early yet to be taking any decision in that regard but as the talks proceed I shall have to consider very carefully how best to give an indication to the House, and indeed to the general public, what our position is in regard to them.

D4

Mr. Spring: In relation to the latter point, I should like to emphasise to the Taoiseach that I feel at a certain disadvantage in relation to the dissemination of information. It appears that all parties in Northern Ireland and a good number of politicians in England have been briefed on what is happening. We are not helping things when at weekends different statements are issued by politicians who are members of the same party. I should like to ask the Taoiseach to consider briefing us on a confidential basis. In an effort to get the support of Opposition parties for what is ~~happening~~^{happening}, and obviously that is very important, he should consider holding it at an early date a meeting with the leaders of the Opposition parties, something that is long overdue.

The Taoiseach: I can do that, of course, but the situation is different. Briefings, in the sense that the Deputy has referred to, are not taking place. The Secretary of State is conducting totally separate discussions and dialogue with the different parties in Northern Ireland. That is what the process is and there is no question of briefing anybody.

Proinsias De Rossa: My understanding is that the Secretary of State is discussing matters with some parties and briefing other parties but I do not think that is as important as the fact that the leaders of the parties in this House should be aware of what is going on. They should be given some indication of the outline, at least, of what is being proposed in order to ~~avoid~~^{avoid} making insensitive statements, as were made by some party people in Northern Ireland in recent times. On that basis I should like to appeal to the Taoiseach to consider strongly briefing parties in the House. ~~that is~~

Section E follows.

19 June 1990.

The Taoiseach had discussions with the Prime Ministers of the various members of the European Community on the question of sanctions on South Africa. The indication in today's newspapers is that support for sanctions is falling away. In view of the Taoiseach's trips to the various capitals of Europe, will he confirm that that is the position and if there is still a strong demand from the people of South Africa that sanctions should be maintained?

The Taoiseach: I do not accept that support for sanctions is falling away and it is not the proposition as I understand it or assessed it. I naturally discussed it as I went round the capitals and I have already indicated that there are different emphasis in various capitals about the matter. I think that the general view among all the leaders of the Community is that they want to do the right thing. There is a public debate going on as to what should happen; one school of thought is that we should express encouragement, approval and support for what President de Klerk is attempting to achieve but that it is too early to consider a move on sanctions. Other views held are that the process is so important that President de Klerk should be given some positive indication of our support. That is the state of play at the moment and I am sure the matter will come up for a substantial discussion at the Dublin Summit. I do not wish at this stage to pre-empt the outcome but the Deputy knows my position - and that of the Irish Government - in relation to this matter.

Mr. Spring: I wish to ask a question in relation to question No. 15 which referred to sanctions and the position taken by certain Governments. Will the Taoiseach agree that the position of our Government is very clear in regard to this matter as outlined by himself and the Minister for Foreign Affairs in recent weeks and that that is the position which the Taoiseach will adopt at the Summit meeting next week, that we are not in favour of the removal of sanctions against South Africa at present?

The Taoiseach: Yes, that is our national position but, as the Deputy knows, as Presidency we have to try to achieve a situation which is in the best interest of the objective of dismantling apartheid.

QUESTION NO: 7

DÁIL QUESTION addressed to the Taoiseach
by Deputy Alan Dukes for answer on
Wednesday 27th June 1990.

QUESTION:

To ask the Taoiseach if, in the margin of the European Council meetings on 25th and 26th June, 1990, he discussed Anglo-Irish affairs with the Prime Minister of the United Kingdom.

REPLY:

I had a full meeting with the British Prime Minister during the course of my recent tour of EC capitals in preparation for the European Council, and we were in contact regularly during the Council. In these circumstances, a special meeting as suggested by the Deputy was ^{considered} not necessary.

DAIL QUESTION addressed to the Taoiseach
by Deputy Alan Dukes for answer on
Wednesday, 27th June, 1990.

QUESTION:

To ask the Taoiseach if, in the margin of the European Council meetings on 25th and 26th June, 1990, he will discuss Anglo-Irish affairs with the Prime Minister of the United Kingdom.

REPLY:

I had a full meeting with the British Prime Minister during the course of my recent tour of EC capitals in preparation for the European Council, and ~~was in touch with her at all times~~ ^{we were in contact regularly} during the Council ~~as necessary~~. In these circumstances, a special meeting as suggested by the Deputy was not necessary.

27/6

END of internal file

ROINN AN TAOISIGH

Uimhir.....

Subject to verification

CONFIDENTIAL

Meeting between the Taoiseach and Prime Minister Thatcher
in Downing Street, 13 June 1990

The Prime Minister was accompanied by her principal Private Secretary Powell. The Taoiseach was accompanied by the undersigned. The meeting took place over a working lunch, which followed substantial exchanges preceding the lunch. It was very relaxed and affable in tone. Although it was due to end at 2.15 p.m., it in fact extended until approximately 3.50 p.m. - from 12.45 p.m.

Points of note were:-

- (1) the Prime Minister's reading of the Russian situation following her recent visit, including her view that Kohl would be putting forward a proposal for a credit to Russia of \$7 bn. to get them over their present economic difficulties, in which the Community would be asked to join. The Prime Minister's view was that this money would best be given by way of grant - and in small amounts. She thought that if it were given in credits, it would never be repaid;
- (2) her view that sanctions on South Africa were irrelevant, as all the countries which purported to apply them, in fact, ignored them. South Africa was the best economy in Africa and every help should be given towards its development;
- (3) her repeated views as to the necessity to metamorphose the Commission into a professional civil service, without the power of initiative, whose job would be to service the Council of Ministers;
- (4) her strong view that no further legislative powers should be given to Parliament, whatever about conferring on them powers of monetary supervision and control of the Commission. She was totally opposed to the Belgian/German proposition that powers of co-decision be given to Parliament;
- (5) on the environment, her agreement that if there were to be movement, then all countries, including "Thailand and India" should move together. The Community has not the right to impose extra restrictions or costs on its industry - without corresponding moves elsewhere;
- (6) her agreement with the Taoiseach as to the need for the continuance of regular reports on implementation of directives, particularly those relating to the Internal Market;

ROINN AN TAOISIGH

Misc.
F. 1.

Uimhir.....

- 2 -

- (7) her statement that Britain was withdrawing its candidature for the Environment Protection Agency and the Trade Marks Office - now that agreement had been reached on the location of the Bank for Reconstruction and Development in London. She said that they were not going to "offend Luxembourg";
- (8) her statement of intent to tie sterling to the deutschmark, possibly following German economic and monetary union, which they would be watching to see how it affected the value of the deutschmark and interest rates. This was accompanied by a statement of her strong opposition to conferring powers on a European Central Bank. Neither would they have "anything to do" with Delors III;
- (9) her views on NATO - essential to keep the Atlantic relationship green - on the CSCE as the vehicle through which the countries of Eastern Europe, the USSR, the United States and Europe, - and the Council of Europe - as the forum in which the countries of Central and Eastern Europe could get together;
- (10) her agreement that something could be included in the Community on the International Atomic Energy Authority on powers on inspection of nuclear stations - in Eastern Germany?;
- (11) her objection to the idea of a European police force "above our police forces";
- (12) her appreciation of the Taoiseach's condolences on the recent murder of soldiers and on Lord O'Neill's death. There was also some very brief discussion on Northern Ireland;
- (13) her agreement on a "anodyne" statement on China - with possibly a statement on the USSR - depending on the situation at the time of the Summit. They wish, in particular, to encourage the drawing up of association agreements with the countries of Eastern Europe, particularly Poland, and Hungary, as well as Czechoslovakia. They will also be looking for the Commission report on German unification.

Following some general comments by the Prime Minister on her attendance that morning at the opening of the Great Ormond Street hospital, towards which private sources had contributed more than £52m, the Prime Minister went on to describe her Russian visit.

ROINN AN TAOISIGH

Misc.
F. 2.

Uimhir.....

- 3 -

Prime Minister: Popov is a most remarkable person. He and Gorbachev are now singing the praises of Milton Friedman. They were saying "You can't have a market economy without the right to private property". They were quite unequivocal on this.

Now they have trouble with the Ukraine. It has been repressed for years. Now it has the right to express itself. There is no administrative structure of Government there. Nobody quite knows how relations between the Republic and the Centre are governed. Yeltsin is deeply involved in this sort of operation. He has recently passed, or asked for, a law repealing legislation passed by the Central Government. That just is not possible - constitutionally.

They still have no concept of how to run things. There are no goods in the shops. They are decreeing increases of 200% in the price of bread - ignoring the fact that the country is made up of a vast number of different regions in which different conditions obtain. The Ukraine is not accepting this type of dictate and will not accept the 200% increase which the USSR is trying to impose everywhere.

I think that Gorbachev will soon be asking for money. I want to help him. But he has no framework on which to operate. There are no companies, no banks, no tax incentives or proper systems of taxation and no private property. They just haven't got the know-how. They have no professional civil service. Gorbachev thinks up an idea and speaks about it but there is no-one to carry it out. He then goes away and in a few day's time thinks up another idea and talks about it also. He is concerned about the relationships between NATO and the Warsaw Pact. We must think of how to help Gorbachev and allay their fears.

I was in Kiev and while there visited Babyna(?) Valley. The Germans were there in 1941 and 1942. They ordered all the Ukraine mothers and children in the area into the valley and murdered 30,000 of them together. The Russians lost 27 million people, dead, in the war. Kiev when the Germans occupied it in 1941 had a population of 850,000. When they left in 1943 the population was 150,000.

Taoiseach: That lingers!

Prime Minister: Of course - and with us also. Now - to Europe. Please tell me about what is happening.

ROINN AN TAOISIGH

Misc.
F. 2.

Uimhir.....

- 4 -

Taoiseach: Things are on course. I don't think you will have any great problem. As we see things now, the main agenda will be political union, economic and monetary union, the environment, drugs, the seats of the institutions and, later, South Africa.

Prime Minister: Yes, sanctions. They are totally irrelevant. Do you not see what countries are doing behind their silence?

Taoiseach: There is a fair degree of support for some signal of encouragement for De Klerk.....

Prime Minister: Yes, the French, the Germans, the Japanese will all talk of supporting sanctions. But what are they doing in practice? There are more German and Japanese cars in South Africa now than there are in Europe....

Taoiseach: There was a general feeling that we should give De Klerk some positive support.

Prime Minister: Yes - of course. Not only that - what they most need is investment. You cannot get the standard of living up without investment. The best economy in Africa now is South Africa. And Europe?

Taoiseach: On political union, we asked Foreign Ministers to give us a paper on the co-ordination of foreign policy. Most people seem to have been fairly happy with this.....

Prime Minister: It won't make a blind bit of difference. You will always have Kohl/Mitterrand's statements on foreign policy.

Taoiseach: We will not have much trouble in taking your point on board - about what political union is not to be.

Prime Minister: The word is wrong. What we are talking about really is EPC.

ROINN AN TAOISIGH

Uimhir.....

- 5 -

Taoiseach: On EMU, we should welcome the first stage on 1st July; and say that ECOFIN will take up the work from there, under the Italian Presidency. Incidentally, the ECOFIN Ministers yesterday had a breakthrough on tax legislation for corporations. After 21 years -

Prime Minister: (apparently misunderstanding) - we don't want worker participation.

Taoiseach: No, not that. What happened is regarded as a good breakthrough.

Prime Minister: Is it doing away with restrictions? I am not having Papandreou telling me how I must manage part-time workers and night shift workers and all that sort of petty interference -

Taoiseach: - then went on to explain what the three directives had dealt with.

Prime Minister: The Commission was necessary for the European Community to start off but it is a totally non-democratic power structure now. It is not responsible to the European Parliament or to any other parliament. What we need there is a proper professional civil service to serve the Council of Ministers. We must metamorphose it into that.

Taoiseach: I don't disagree. We don't want any more powers for the European Parliament, at any rate.

Prime Minister: Caput! It is not a parliament at all....

Taoiseach: Your idea about giving it powers of control seems a good one.

Prime Minister: Yes, they should have powers of inspection of the Commission. Eastern Europe is trying to get to a democratic system. And who is dealing with them? It is now Delors - a mere appointee.

ROINN AN TAOISIGH

Misc.
F. 2.

Uimhir.....

- 6 -

Taoiseach: Then we will ask him to report on the Internal Market in Dublin.

Prime Minister: That is the biggest thing. But no matter what happens the cultural differences will remain. The Italians will continue not to pay taxes.

Taoiseach: We must see that we do not just pass directives: we must see that they also get implemented.

On that, Britain is at the head of the league. We will have to get the others up to speed. Then on the environment -

Prime Minister: First, on that, we must all move together, including the developing countries. We can't put restrictions on our industry when Thailand, and India, and other countries, take advantage of what we are doing. There must be a systematic approach. We can't impose increased costs on part of industry in the world and not on other parts. Water, beaches, incineration at sea, sludge, etc. - they are all involved. We must not seek to complete at the earliest date. We must seek steady progress and complete the work steadily.....

Taoiseach: I accept what you say about the need to review all directives. Many countries are talking about doing things but are not actually doing them.

Prime Minister: Yes - we must continue the regular reports on implementation.

The UK, the Dutch and you - we have the same type of law. We have a common law heritage - where courts are required to look at texts. It is different in Europe. Look at what the European Court is doing. Its judgements are giving more powers to the Commission -

Incidentally, your Commissioner MacSharry is doing a very good job. The French have bovine rabies and a disease called la Vache Tremblant but they won't admit it. Your cattle raising methods are nearer to nature than ours....

The days of appointed Commissioners must be numbered. We must give power to the Council of Ministers: I am not handing over authority to a non-elected bureaucracy.

ROINN AN TAOISIGH

Misc.
F.1.

Uimhir.....

- 7 -

Taoiseach: I know your view that the Council of Ministers, by representing national parliaments, gives democratic legitimacy.

Prime Minister: Germany is buying support in this. She is dealing with Portugal, the Greeks, and others...

Taoiseach: On the Structural Funds, we had a run in recently with the Commission. On the operational programmes, they are seeking to go behind the government decisions and enter into every detail of the programme.

Prime Minister: They would. They are just a new Politburo.

Taoiseach: The Commission set up the original Structural Fund allocation of approximately £2.8m for Ireland and then took a reserve for themselves. They are trying to deal direct with our authorities - like Bord Failte Eireann and local authorities - overriding the national government, in relation to this reserve -

Prime Minister: And they are a non-elected bureaucracy.

Taoiseach: They are going to our local authorities and inviting groups over to Brussels. They are going behind the back of the government.

Prime Minister: The deciding body must be the Council of Ministers. We must take away the power of initiative of the Commission. Can we get this through?

Taoiseach: I don't think so. There is another appalling proposal in the second draft on the document on political union. This is the Belgian/German suggestion on co-decision. We will be relying on you.

Prime Minister: Yes. On German union, Mitterrand, Gonzalez, and ? were all against rapid unification, along with me. But I was left to oppose the proposals singlehanded. Now I tell them all you got what you didn't want.

ROINN AN TAOISIGH

Misc.
F. 1.

Uimhir.....

- 8 -

The meeting then broke for lunch, over which there was some discussion on Calvaco Silva, Gonsalez, Lubbers and van den Broek.

Taoiseach: On the institutions, I am not putting too much of my money on progress. There is great difficulty with Luxembourg/Strasbourg and Eurofed. I would like to get decisions on the Environment Protection Agency, and possibly on the Trade Marks Office - but I am not completely optimistic.

Prime Minister: We were looking for the Trade Marks Office and the Environment Protection Agency but now that we have got the BERD we will not be pushing our case for these. We are not going to offend the Luxembourgers.

I am getting completely fed up with the European Community trying to tie us up with bureaucratic regulations. We are trying to get Eastern Europe to accept democratic standards and here we are re-creating our own Politburo! They are just too much.

Taoiseach: France has had too much. It has the seat or the director or secretary-general of the European Parliament, the OECD, the Council of Europe, the IMF, and the Commission.

Prime Minister: We must not let down Luxembourg.

On the deutschmark, I do not know how German economic and monetary union will affect the value. Or how interest rates will be affected. I am, however, certain that a European central bank is not going to decide on our economic or financial policy. We are not giving that power to central bank governors. Our aim is to keep inflation down. That is why we are aiming to go for the deutschmark. The Germans have had experience of inflation and they keep their currency like a gold standard. But that does not mean that we accept a central bank of the Twelve. They would not have the same will to fight inflation as the Germans have. They would think of economic growth and jobs and inflation - as equal objectives, and mix them all up. All we want is an effective gold standard - and the deutschmark provides us with that.

Taoiseach: What do you think of the proposals for the co-ordination of economic policies?

ROINN AN TAOISIGH

Misc.
P.T.

Uimhir.....

- 9 -

Prime Minister: We are not going to be dictated to. We want a gold standard and the deutschmark does it. If you give away your powers of taxation, you have lost your sovereignty. In talking of a single currency, Delors must have had a rush of blood to the head. We are not going to have a single currency.

Powell mentioned the Goldsmith speech at this point and its reference to a cartel arrangement. The Prime Minister asked about the Greenspan speech and added that a single currency is not necessary. We will have nothing to do with Delors III.

Taoiseach: What are your views on NATO and the CSCE?

Prime Minister: NATO is vital. We have had 45 years peace in Europe now - longer than ever before - due to NATO. We have to keep it to keep the Atlantic relationship green. NATO is vital and it is vital that a united Germany be in NATO. People talk about a free trade area with the US and Canada and possibly Mexico. If we do not go in this direction, then the Americans may well join up with Japan. NATO is the forum in which we can discuss things with the United States.

And the CSCE is the only organisation through which we can have regular political consultations involving the US, the USSR, and all 35 countries together. I am suggesting that Foreign Ministers should meet in that framework twice a year.

Then the Council of Europe is the framework in which the countries of Eastern Europe could join together. We don't need new institutions.

Taoiseach: I was thinking of inviting De Maiziere to Dublin.

Prime Minister: You can't.....

Taoiseach: Only to the lunch.

ROINN AN TAOISIGH

Misc.
F.2.

Uimhir.....

- 10 -

Prime Minister: I believe that Kohl will be raising at the Group of Seven meeting the question of a loan of £7 bn for the USSR for consumer goods. They won't pay that back. I would prefer to see aid being given in smaller amounts, by way of grant. He will talk about the contribution Germany is making towards the cost of keeping Russian troops on German soil and say that is his contribution and he will use this argument to try and get contributions from the countries of the Community. But we are all helping Eastern Europe at present. And the Portuguese will say "What about us?" I know that it is necessary to keep Gorbachev in power but we must think.

Taoiseach: On a nuclear inspectorate, there are many dangerous power plants in Eastern Europe. Countries are worried about this - like the Danes and the Luxembourgers.

Prime Minister: Helmut told me that they were closing two plants in East Germany. They aren't safe.

Taoiseach: What would you say to a nuclear inspectorate?

Prime Minister: We have an inspectorate of our own. We have one operated through the International Atomic Energy Agency which does inspection work. France does not like going through that. Why put in another system?

Taoiseach: The proposal is that they monitor nuclear stations.

Prime Minister: Inspectors are rare birds. They have particular qualifications. We have had to increase their pay very much to get them - I suppose there would not be much objection to spot check monitoring.

Taoiseach: On the question of drugs, Kohl mentioned a police force, like a European FBI. I think he regretted using that phrase.

Prime Minister: What about Interpol? We cannot have a police force above our own police forces.

ROINN AN TAOISIGH

Misc.
F. 2.

Uimhir.....

- 11 -

Taoiseach: What I think he is talking about is some form of syndicate or co-operation.

Powell: There is something due on the policing side before the end of the year - some form of report.

Taoiseach: The Celad had produced a report which we will be considering at Dublin.

Prime Minister: It would have to deal with violent crime as well. I think Kohl would go along with that.

Taoiseach: Let me say now how sorry I was at the recent deaths of so many soldiers. Also I would like to convey my sympathy on what happened at Lord McAlpine's house.

Prime Minister: Yes. He had a daughter of seven. He has left the house for some time.

Taoiseach: Secretary of State Brooke is making a great effort.

Prime Minister: Yes. He is honest in every way.

Taoiseach: And skilful.

Incidentally, Portugal mentioned that she might be raising the question of China at the Dublin Summit.

Prime Minister: Yes. They have some concerns in Macao.

Taoiseach: What do you think?

Prime Minister: Yes. We could have some anodyne things in a statement. They cannot remain immune from the democratic process forever. I have been thinking of Gorbachev and glasnost. Maybe he got things in the wrong order. He gave powers of criticism before he had got his economy right.

ROINN AN TAOISIGH

Misc.
F. 2.

Uimhir.....

- 12 -

Taoiseach:
in Dublin?

Will we need a statement on the USSR

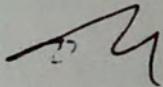
Powell

There is a lot to be said for something on Eastern Europe - to encourage association agreements.

Prime Minister:

Yes - particularly with Poland and the question of their borders. Germany is playing a very devious game here. Also with Hungary - I have spoken to Nemuth. Czechoslovakia, with Havel, is also worthy of attention. Have you read his speeches?

There then followed some general discussion on the East German negotiation and on German tactics during the war, as well as some more general conversation.



Dermot Nally

14 June 1990

c.c. Secretary Cromien, Department of Finance.

Secretary Dorr, Department of Foreign Affairs.

Assistant Secretaries Murphy and Barrington,
Department of Foreign Affairs.

Department OF THE TAOISEACH

To be dealt with **IMMEDIATELY** and not placed with other papers.

PARLIAMENTARY QUESTION

To be answered on: *Tuesday, 1 May*
~~Wednesday, 25th April, 1990.~~

Regd. No. Put down by:— Deputies De Rossa and Spring Question

9. To ask the Taoiseach if Anglo-Irish relations were discussed at his meeting with the British Prime Minister in London on 20th April, 1990; and if he will make a statement on the matter.—Proinsias De Rossa.

9

10. To ask the Taoiseach if he will make a statement regarding his meeting with the British Prime Minister in London on 20th April, 1990 insofar as Anglo-Irish relations are concerned.—Dick Spring.

10

cc to	Date	Referred to	Date
Mr K Taoiseach	26/4		
Mr Keenan	2/5		
Mr. M. Conboy	4/5/90		

Immediately action is concluded these papers should be returned to

Mr. Spring: Can I take it that the privatisation of Irish Life as announced some months ago is now continuing regardless of the concerns of the ICTU?

The Taoiseach: Not regardless of them—

Mr. Howlin: Despite them.

The Taoiseach:—in full consultation with the representatives of the workers in that organisation.

Proinsias De Rossa: Would the Taoiseach not agree that it would be better if we did not play cat and mouse games in this House?

The Taoiseach: The Deputy knows a bit more about cat and mouse games than I do.

Proinsias De Rossa: Would you like a few lessons?

The Taoiseach: That might be putting it mildly.

Proinsias De Rossa: Would the Taoiseach admit that congress expressed very strong opposition to the privatisation of Irish Life and that this is their public position?

The Taoiseach: I think it would be better to let the ICTU speak for themselves in that matter.

Disappearance of Yeats Poem.

8. **Mr. Nealon** asked the Taoiseach if an unpublished poem by W. B. Yeats *Inscription for a Christmas Card* in the poet's own handwriting has disappeared from the National Library collection; and if he will make a statement on the matter.

The Taoiseach: The director of the National Library recently notified my Department that a small greeting card, containing the text of an unpublished poem by W. B. Yeats, could not be located. The director of the library

advises that it is not clear whether it has been misplaced or stolen. The matter is being investigated. The item in question was microfilmed about 1970 and so the text is available.

Mr. Nealon: I will not ask the Taoiseach to recite the poem. Could I ask if any social additional security has been put in place in the National Library arising out of this loss and indeed the loss of valuable maps not so long ago?

The Taoiseach: As the Deputy knows, I have outlined recently to the Dáil a whole range of new security measures and a new regime which is being implemented now in the National Library. This greeting card, the loss of which is deeply regretted, almost certainly went missing before the new regime had been installed.

Anglo-Irish Relations.

9. **Proinsias De Rossa** asked the Taoiseach if Anglo-Irish relations were discussed at his meeting with the British Prime Minister in London on 20 April, 1990; and if he will make a statement on the matter.

10. **Mr. Spring** asked the Taoiseach if he will make a statement regarding his meeting with the British Prime Minister in London on 20 April 1990 in so far as Anglo-Irish relations are concerned.

The Taoiseach: I propose to take Questions Nos. 9 and 10 together.

The primary purpose of my meeting with the British Prime Minister was to have an exchange of views with her on the issues which were subsequently considered at last Saturday's special European Council meeting in Dublin. Deputies will be aware that, as President of the European Council, I had similar meetings with all the other EC leaders. I also had a short exchange of views with the British Prime Minister on current matters in Anglo-Irish relations.

Proinsias De Rossa: Could the

[Proinsias De Rossa.]
Taoiseach outline the issues that he refers to and the response of the Prime Minister to them? I presume he is referring to the questions of extradition, Articles 2 and 3, and the claim in relation to Northern Ireland.

The Taoiseach: Strictly speaking, I think Protocol compels me to do no more than refer the Deputy to the joint statement that was issued after the meeting. That is the customary practice.

Mr. Spring: Could I ask the Taoiseach, in relation to his discussions with Mrs. Thatcher, if any talks were held in relation to the potential for talks between the constitutional parties in Northern Ireland and if he can inform us, the elected Members of the House, if there are any developments in that area?

The Taoiseach: In my meeting with the British Prime Minister it was just referred to in passing. We did not go into any details on it. We just hope that something important will emerge.

Mr. J. Bruton: Is it not the case that the Taoiseach said at the press conference after the meeting that he would be prepared to consider any representations that might be made in regard to deficiencies in the operation of the Irish extradition legislation? Would he indicate if his statement on that occasion is consistent with statements subsequently made in the House by the Minister for Justice last week, which seem to indicate the opposite?

The Taoiseach: The Minister for Justice and myself are in complete agreement on this matter.

Mr. J. Bruton: You seem to be saying different things.

The Taoiseach: No.

Mr. J. Bruton: I think the record will indicate that that is so.

The Taoiseach: I am sorry if it appears that way to the Deputy.

Mr. J. Bruton: If representations are made to the Taoiseach, is he prepared to consider changes in the existing extradition arrangements, particularly in view of the possible plea by people accused of political motivation murder.

The Taoiseach: It is always my duty to consider any serious representations made to me on any matter of public interest. As of now I do not intend to institute any changes in the extradition arrangements.

Mr. J. Bruton: Were representations made to the Taoiseach in this matter by the British Prime Minister?

The Taoiseach: No.

Central Statistics Office.

11. **Mr. J. Higgins** asked the Taoiseach if he is satisfied with the terms of reference of the Central Statistics Office; if there are other areas which he feels should be brought within the scope of the office; and if he will make a statement on the matter.

The Taoiseach: I am satisfied with the terms of reference of the Central Statistics Office. A five year strategy for the office covering the years 1988 to 1992 was drawn up by the National Statistics Board established by my predecessor in February 1986. The board's essential function consists of guiding the strategic direction of the Central Statistics Office with a mandate from Government to establish priorities in responding to the demand for official statistics. Their strategy report, which was accepted in full by the Government in 1988, was published in May 1988 and laid before both Houses of the Oireachtas. I see no reason to depart from the recommendations of the board which is composed of persons with special knowledge and expertise both in the compilation and analysis of statistics and in the various needs for statistics.

QUESTIONS NOS: 9 & 10

DAIL QUESTIONS addressed to the Taoiseach by
Deputies Proinsias De Rossa and Dick Spring,
for answer on Tuesday, 1st May, 1990.

QUESTION NO. 9

To ask the Taoiseach if Anglo Irish relations were discussed at his meeting with the British Prime Minister in London on 20th April, 1990; and if he will make a statement on the matter.

PROINSIAS DE ROSSA

QUESTION NO. 10

To ask the Taoiseach if he will make a statement regarding his meeting with the British Prime Minister in London on 20th April, 1990, in so far as Anglo Irish relations are concerned.

DICK SPRING

REPLY:

I propose to take Questions 9 and 10 together.

The primary purpose of my meeting with the British Prime Minister was to have an exchange of views with her on the issues which were subsequently considered at last Saturday's special European Council meeting in Dublin. Deputies will be aware that, as President of the European Council, I had similar meetings with all of the other E.C. leaders.

I also had a short exchange of views with the British Prime Minister on current matters in Anglo-Irish relations.

Note for Taoiseach's information

1. The text of the Joint Statement issued following the Taoiseach's meeting with the British Prime Minister on 20 April is attached.
2. Press reports following the meeting quoted the Taoiseach as being hopeful about political progress in Northern Ireland - an issue which was "discussed briefly" at his meeting with the British Prime Minister. The Taoiseach also said that both he and the Prime Minister agreed that security cooperation between Ireland and Britain was good and improving. He said that extradition "had been barely touched on" and that the meeting generally was "very affable". Copies of these press reports are attached.
3. It is not the practice to go into detail on the content of meetings of this nature.

Mr. Kinnear
23.4.90
Mr. McCann

20/4

MEETING BETWEEN THE TAOISEACH AND THE PRIME MINISTER

JOINT STATEMENT

The Taoiseach, Mr Charles J. Haughey T.D., and the Prime Minister, The Rt Hon Mrs. Margaret Thatcher M.P., met this afternoon at 10 Downing Street for about one and a half hours. The meeting was one of a series which the Taoiseach has been holding with other E.C. leaders over the past few weeks in preparation for the special meeting of the European Council which is to be held in Dublin on 28 April.

The Taoiseach and the Prime Minister also had a short exchange of views on current matters in Anglo-Irish relations, following the meeting of the Anglo-Irish Conference which took place in London yesterday.

20 April 1990

Brooke to brief unionists on Dublin's stance

From Ella Shanahan,
in London

POLITICAL progress in Northern Ireland was discussed briefly and extradition was "barely touched on", according to the Taoiseach, Mr Haughey, after his talks in London with the British Prime Minister, Mrs Thatcher, yesterday.

These matters had been dealt with in detail at the previous day's meeting of the Anglo-Irish Conference, he said. The Conference meeting was resumed yesterday for about an hour, when it is understood the two Governments finalised their approach to the unionist parties in Northern Ireland. As a result of their detailed discussions, the Secretary of State for Northern Ireland, Mr Peter Brooke, will be able to convey the views of the Irish Government on a very wide range of issues to the unionist leaders when he meets them again soon.

Mr Haughey said his 1½-hour meeting with Mrs Thatcher had been "very affable" and a Downing Street source described it as "a relaxed and useful meeting". Only about 10 per cent of the meeting was devoted to issues of Anglo-Irish concern.

The Taoiseach said he "would be hopeful" about political progress in Northern Ireland. "If it's only a question of giving more time to it in dialogue, we certainly wouldn't stint our efforts in this regard."

The Secretary of State for Northern Ireland was endeavour-

ing to get the political parties in Northern Ireland together to talk to him about political progress. It was no more specific than that. "He is just continuing his efforts. We have to be as helpful as we can in that process."

Asked whether Mr Brooke was now in a position to speak on behalf of the Irish Government in talks with the unionists, Mr Haughey said the Government spoke for itself. But he added: "He could certainly convey the impression to the parties in Northern Ireland that the Irish Government and himself are both very anxious for political progress and will facilitate political progress."

Mr Haughey described himself as "a perennial optimist" about progress in this area.

Extradition, he said, had been "barely touched on". He and Mrs Thatcher agreed that security co-operation between Ireland and Britain was good and improving.

Mrs Thatcher, he said, had "expressed her views on the recent Supreme Court decisions in a vague way". It was an amiable exchange. "We always have friendly, cordial, beneficial discussions and this was one of those kind of meetings."

Mr Haughey said no importance should be attached to the fact that Thursday's meeting of the Anglo-Irish Conference had been resumed yesterday morning. The one-hour resumption had been to clear up details after the previous day's seven-hour meeting.

Optimism about a formula for talks

From Dick Ahlstrom, in
Belfast

AS THE Northern Secretary, Mr Peter Brooke, prepares to arrange a meeting in Belfast with Unionist leaders, the Taoiseach has expressed hope that the latest round of talks will yield political progress.

Mr Haughey was speaking after his meeting with the British Prime Minister, Mrs Thatcher, in London.

There is growing optimism that Mr Brooke has a new formula, arising from his two Anglo-Irish Conference meetings in London with the Minister for Foreign Affairs, Mr Collins, that will open the way for inter-party dialogue.

Statements made by Mr Collins and Mr Brooke immediately after their six-hour meeting on Thursday suggested that genuine progress had been made and Mr Brooke said he now had points to take back to unionist leaders for discussion.

No early meeting with the unionist leaders the Rev Ian Paisley and Mr Jim Molyneux has yet been scheduled, according to a spokeswoman at the Northern Ireland Office, while a DUP spokesman said that no direct approaches had been made to it so far.

Unionists agreed to a second round of talks after a meeting with Mr Brooke last month. The DUP spokesman added however that, by agreement, it would only take place when the Northern Secretary had something substantive to discuss or when the possibility of dialogue between parties had been abandoned.

A major impediment to inter-party talks between constitutional parties in the North centres on unionist insistence that the Anglo-Irish Agreement must be suspended before meetings could begin.

Mr Brooke and Mr Collins stated after their meeting that there would be no suspension of the agreement. But unionist sources in Belfast suggested yesterday that a formula for talks was close. According to these sources a summertime gap in Anglo-Irish Conference meetings would allow unionists to claim that a suspension had been achieved, opening the way to talks, but also allowing Mr Collins and the SDLP to insist that no suspension has taken place.

Mr Collins did not rule out gaps in Conference scheduling when questioned by journalists after the meeting. But neither Mr Collins nor Mr Brooke would be drawn on the nature of the progress being made towards opening up talks.

Political leaders in the North expressed a degree of guarded optimism about the Conference meetings, but most parties dismissed out of hand anything useful arising from the decision to create an intergovernmental committee to examine extradition procedures between the two countries.

The Supreme Court
extradition and
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have not been copied***

23 APR '90 10:46

FROM GEN OFF LEINSTER HSE TO TSH

PAGE.001

To ask the Taoiseach if he will make a statement regarding his meeting with the British Prime Minister in London on 20th April 1990.-Dick Spring.
For ORAL answer on Wednesday 25th April, 1990.

~~See~~ ~~the~~ attention of Brian Collinge
from Jody Bale Question Office, Leinster House

Secretary to the Government
Mr. Kinnear
25.4.90
suggested reply

QUESTION NOS: 9 & 10

24
4
1990

DÁIL QUESTIONS addressed to the Taoiseach by
Deputies Proinsias De Rossa and Dick Spring,
for answer on Tuesday, 1st May, 1990.

QUESTION NO: 9

To ask the Taoiseach if he will outline the matters discussed at his meeting with the British Prime Minister in London on 20th April; if Anglo-Irish relations, as well as EC matters, were discussed; and if he will make a statement on the matter. - Proinsias De Rossa

QUESTION NO: 10

To ask the Taoiseach if he will make a statement regarding his meeting with the British Prime Minister in London on 20th April, 1990. - Dick Spring.

REPLY:

I propose to take Questions 9 and 10 together.

The primary purpose of my meeting with the British Prime Minister was to have an exchange of views with her on the issues which were subsequently considered at last Saturday's special European Council meeting in Dublin. Deputies will be aware that, as President of the European Council, I had similar meetings with all of the other E.C. leaders.

X I also had a short exchange of views with the British Prime Minister on current matters in Anglo-Irish relations.

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14

END of internal file

Date 25 APRIL 1990

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Cols 2123-2125

2123

Questions—

25 APRIL 1990.

Oral Answers

2124

[The Tánaiste.]
IDA, we have now created the investment base on which we should proceed to create the jobs.

Mr. J. Bruton: You have not got the jobs.

Mr. S. Barrett: There were not high interest rates in 1987.

The Tánaiste: That is the purpose of this exercise but we could not engage in it if we had not got the investment and industrial base that has been created through the efforts and the work of the IDA under the direction of this Government.

Mr. S. Barrett: Would the Tánaiste not agree it would be a good idea that, apart from the NESC examining this very serious matter, an all-party committee of this House would have the opportunity of considering such a problem? Will he agree that the Government have consistently refused offers from this side of the House to deal with our most basic problem, that is tax reform?

An Ceann Comhairle: That clearly is a separate matter.

X Discussions with Unionist Political Representatives. X

4. **Mr. J. Bruton** asked the Taoiseach the present position in regard to his invitation to political representatives of unionism to meet him without pre-conditions; and if he will take any further steps in order to allow such discussions to proceed.

The Tánaiste: My invitation stands. I have made clear that I would place no restrictions on the agenda for such a meeting and that I have a completely open mind about the structure, venue or channels for any discussion that might be envisaged.

Mr. J. Bruton: Would the Tánaiste agree the Taoiseach has been talking in

terms of possible talks with unionist representatives for well over a year, with no concrete results? Does he consider it might be time for the Government to take some initiatives with a view to removing the roadblock that seems to exist in the way of these talks rather than simply sitting there expressing their willingness to talk without pre-conditions? Would the Tánaiste agree that some initiatives might be taken by the Government to try to reach out to the unionist community, without whom we cannot have a satisfactory solution to this problem?

The Tánaiste: I think the Deputy is aware of the relevant meeting in this context with the Ministers for Justice and for Foreign Affairs at the Anglo-Irish Conference last Friday and Saturday, which dealt with this matter and which shows an element of progress. The Taoiseach's subsequent meeting with the British Prime Minister indicates that this matter is at present proceeding along the lines we would wish in a constructive manner. That is the precise up-to-date position which is really in context as far as the Deputy's question is concerned.

Mr. J. Bruton: Would the Tánaiste agree that there have been many hopeful signs like this before, only to find that events occurred which subsequently dashed those hopes? Does he at least consider that the Government, rather than simply expressing a willingness to engage in these talks, should find out by whatever channels are available to them the actions they could take which would be within their own policy parameters and which would perhaps represent some form of enticement to the Unionist community to enter into dialogue? In other words, the Government must not adopt what appears to be a rather passive approach in this matter.

The Tánaiste: All I can do is to repeat what I have just said, that two Government Ministers and the Taoiseach are very much involved in furthering this process. A meeting took place on Friday and

DAIL/SEANAD ÉIREANN

Extract from Official Report of Debates

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Questions—

25 APRIL 1990.

Oral Answers

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Saturday of last week and, hopefully, progress can be made.

Mr. Currie: Would the Tánaiste join with me in welcoming the reported remarks of the Secretary of State for Northern Ireland in Downpatrick yesterday which, while not exactly optimistic, were at least hopeful? This apparent movement ought to be encouraged in every way possible by this Government, always remembering, of course, that any form of political dialogue at this stage in Northern Ireland circumstances is a very fragile plant that needs to be nurtured carefully and with sensitivity. In those circumstances maximum encouragement behind the scenes as well as publicly ought to be given to those involved in these delicate explorations.

Mr. J. Bruton: Hear, hear.

The Tánaiste: Deputy Currie has advanced a reasonable view, which I share, of the manner in which this whole matter should be approached at present.

Dublin Summit.

5. **Mr. J. Bruton** asked the Taoiseach the arrangements, if any, he has made to consult the European Parliament in advance of the Dublin Summit in fulfilment of his statement in Dáil Éireann of 27 March 1990.

The Tánaiste: The Irish Presidency has taken all appropriate steps in this regard.

Mr. J. Bruton: Is the Tánaiste aware that the Taoiseach stated in the House on 27 March that he was considering some particular initiatives to consult the European Parliament in advance of this weekend's Summit? Will he indicate what initiatives the Taoiseach or the Irish Government took to consult Parliament since 27 March that had not been underway previously?

The Tánaiste: There is continuous contact maintained, in particular by the Minister for Foreign Affairs, with the Parliament. As a result of that the President of the Parliament will, at the invitation of the Taoiseach, make a 15 minute presentation at the beginning of the summit on 28 April. Similar arrangements will also apply at the June European Council. Parliament will make a preliminary submission to the summit meeting before it gets underway. That gives the Parliament some linkage. It is a very interesting development which I am sure the Deputy will welcome.

Mr. J. Bruton: I do, but would the Tánaiste not agree that in addition to what might be seen as simply a symbolic appearance by the President of the Parliament there should be a better established institutional link between the current Presidency and the Parliament secretariat on an on-going basis in Strasbourg with a view to ensuring that the Presidency proposals at the summit represent as near as possible the views of Parliament?

The Tánaiste: At the end of our six month Presidency I believe we will receive certain approbation on this matter. We have made a point of cultivating exceptionally good relations with the Parliament and its committees. That has already been acknowledged as a feature of the Irish Presidency and it has led to successful conciliation and clearance by the Parliament of many matters that were being blocked in regard to the Parliament itself and its relations with the Council of Ministers and the Commission.

I will refer briefly to diverse cases and decisions in regard to the first stage of EMU, the establishment of the European Environment Agency, the revision of the five year financial perspective and the multi-annual framework programme in research and development. These are some of the areas where blockages had arisen. By reason of our special arrangements for regular day-to-day contact

NO 17

DRAFT

by Mr. [unclear]
(Dillon
Common [unclear]
EC side) (As [unclear])
[unclear]
24.4.90
24/4

MEETING BETWEEN THE TAOISEACH AND THE PRIME MINISTER

JOINT STATEMENT

The Taoiseach, Mr Charles J. Haughey T.D., and the Prime Minister, The Rt Hon Mrs. Margaret Thatcher M.P., met this afternoon at 10 Downing Street for about two hours. The meeting was one of a series which the Taoiseach has been holding with other E.C. leaders over the past few weeks in preparation for the special meeting of the European Council which is to be held in Dublin on 28 April.

The Taoiseach and the Prime Minister also had a short exchange of views on current matters in Anglo-Irish relations, following the meeting of the Anglo-Irish Conference which took place in London yesterday.

20 April 1990

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The main subjects discussed were ~~the issues~~ which will arise at the Dublin meeting - in particular ~~German~~ unification, Eastern Europe and the future development of the European Community.

The Taoiseach and the Prime Minister also had a short exchange of views on current matters in Anglo-Irish relations, following the meeting of the Anglo-Irish Conference which took place in London yesterday.

Among the issues discussed were ~~the prospects~~ for political progress in Northern Ireland, arrangements ~~for dealing~~ with fugitive offenders including extradition, security issues and cross border economic cooperation.

20 April 1990

THU 08:41 DEPT OF AN TAOISEACH

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To ask the Taoiseach if he will outline the matters discussed at his meeting with the British Prime Minister in London on 20th April 1990; if Anglo-Irish relations, as well as EC matters, were discussed; and if he will make a statement on the matter. -Proinsias De Rossa.
For ORAL answer on Wednesday 25th April, 1990.

as 9710 of 1/5/90

Re-winded and
taken as NO9 of
1/5/90.

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SUBJECT TO VERIFICATION.

CONFIDENTIAL.

Meeting between the Taoiseach and P.M. Thatcher
on 20th April 1990.

1. The Taoiseach met the Prime Minister in a drawing room in No. 10 Downing Street. The Prime Minister was accompanied by her principal Private Secretary, Mr. Charles Powell. The Taoiseach was accompanied by the undersigned. The meeting lasted about one and a half hours and was affable and constructive.

This note uses direct speech but does not purport to reproduce exactly what was said. After the usual preliminary remarks, the Prime Minister mentioned that the Taoiseach had been meeting President Mitterrand and Chancellor Kohl and had more recently come from his meeting with the Danish Minister.....

Taoiseach: Yes. He was upset about the Kohl/Mitterrand letter.

Prime Minister. Why wouldn't he be?

Taoiseach: Foreign Ministers will be meeting tomorrow and will probably be discussing Lithuania. Some may be supportive. We must be very careful on this.

Prime Minister: We don't want to sacrifice all the good. The consequences could be enormous. They must follow the constitutional route to secession. We must remember the territory was given to Lithuania from the Byelo-Russian Republic. There are Russian defence troops and questions involved. We must not come down firmly on one side or the other - at present. Compared with other problems, this one can be solved by discussion. We must not ruin that prospect.

Taoiseach: Yes - I agree we must not give too much encouragement - that could be dangerous.

Prime Minister: What is involved is not a negotiation between two sovereign States. At the same time, we are not saying "you

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can't secede." The Russians are being quite responsible at present. After all - they have -

- (1) given territory to the Lithuanians,
- (2) defence needs in the area.

They have given a triangle of land - a corridor from Byelo-Russia to Lithuania. They will want that back from them. We can't say one way or the other before both have continued further with their discussions.

Britain never recognised the absorption of Lithuania into the U.S.S.R. We must bear in mind the Helsinki accords. They must get involved in the Helsinki process. At the same time, Gorbachev will say "we are not talking about frontiers. There are not two sovereign States involved here.

Taoiseach: I am glad to have your views on this. I will tell Gerry Collins that he must be careful in any statement or announcement from the meeting.

Prime Minister: At the same time, if trade coercion goes on, we might have to start thinking again. We could perhaps look at the slowing down of co-operation or deferring meetings - but we would have to do this slowly and gently.

Taoiseach: Yes that would be better.

Prime Minister: All this could come up at the Summit, without warning. Without it, we will have far more than enough to do. The whole thing could become indigestible. We must look at the effect of German Union on -

- (1) the C.A.P.
- (2) trade.

I know there must be certain derogations. If we do not manage this right, Germany will undercut us in every market. Did Helmut mention the question of a timetable? Is the GDR Government in place yet? I think that what exists now has in it an extraordinary number of Communists.

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Powell: Prime Minister they are not
Communists. They call themselves
Social Democrats.

Prime Minister: At the same time they all talk about
Taoiseach: central planning and the directed
economy. That is Communist.

Taoiseach: The Chancellor is thinking of monetary
union by about the 1st July. At the
Prime Minister: same time, the 2 + 4 is going on and
would lead to the CSCE Summit towards
Taoiseach: the end of the year. There will
Federal elections in West Germany in
December. These would be followed by
all German elections in the second
half of 1991.

Prime Minister: He is changing his mind again. I
thought he had 1993 in mind for
unification.

Taoiseach: There is the question of transitional
period of five years. Have you seen
Taoiseach: the Delors Paper on German
unification?

Prime Minister: Not yet.

Taoiseach: We received it only yesterday.

Prime Minister: There is a great deal of wheat,
barley, potatoes, rape seed and sugar
beet produced in the GDR. They can
get their yield up considerably - and
very quickly. They haven't much scope
for export of these products. We will
need a very considerable transition
period on this. We must have a report
(from the Commission) on the
implications.

There is also the difficulty that
Germany has a different type of
farming from others. Their farmers
produce Mercedes and BMW's during the
week and then go home at the weekend
and do their farming -

Then there is the trading thing - that
is an enormous problem. Once the

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Border goes there can be no monitoring of what goes on. Goods will simply flood across into West Germany and from there through the rest of the Community - we must deal with this.

Taoiseach: Do you mind if I give you the plan for the day. We propose to meet at 10.30. Baron will give a short 10 to 15 minutes statement -

Prime Minister: That makes it a formal meeting. Do we have to have him?

Taoiseach: We would deal with the Germany question in the morning and then over lunch, look at the question of political union.

Prime Minister: Are they going to define it? I am fed up with this rhetoric. Political union means a community of Federal States. No way will I have that. Our history is much older than that.

Taoiseach: I wanted to talk to you about this. Political union can be what we want it to be. It can be as minimalist or as maximalist as we make it. That's why we would like to see you play a major role in the debate. The Danes are strongly of this view. You must use the opportunity to define and put your own imprint on the process.

Prime Minister: We already have political union. There was first of all an economic community, then we widened it to develop European political co-operation. We have enough to digest at present. If we go further, we will create even wider divisions. This debate should not be on at the moment. Your State and mine are much more developed than many of the other States of the Community. Germany has been in existence for some 40 years. Belgium is simply the Walloons and the Flemings. The Dutch were part of the Hapsburg Empire. On the other hand, Spain is a proud nation and so is France.

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The French think they can influence Germany within the Community - but Germany will be so powerful that it will dominate everyone. The Community is completely different from when DeGaulle joined. Then he was dealing with a very weak Germany. And our troops were in Germany to support him. He would not have signed the Treaties in present circumstances. They will be dealing with a powerful and dominant nation of maybe 80 to 90 million people with a new confidence - a new euphoria. This nation will highly competitive, they will make things and sell things at prices nobody can beat. This new Germany will dominate the Community. France and Germany think that they can get on within the Community but the Community is too disparate to manage together. And then they talk about the democratic deficit. There is not a single constituent of mine who knows the name of his M.E.P.!

Taoiseach: It is the same with us -

Prime Minister: In our Parliament we are accountable. I must go to Parliament tomorrow to justify what I have done today. Gonzalez goes three times a year. Mitterrand never goes. Kohl goes quite infrequently. Schluter is answerable alright and I am not sure about the position of Lubbers. With you and with me there's intimate and instant accountability. Italy was never one nation, Portugal is struggling and needs help. How can this group of people form a union?

Recently Spain received a warning from the IMF..... so will we. Unit wage costs here are up 6% over last year. We have recently lost a second Ford plant - this time to Cologne. I have got to hand it to the Germans. If they get wage increases they match them with productivity.

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Taoiseach:

I would ask that you take a major interest in political union and in the question of more powers for the European Parliament. You must involve yourself in that debate. We find, during our Presidency that it is very difficult to get anything through Parliament. My personal view is if they get more powers, they will be an impediment to the Community.

Prime Minister:

Delors speaks about Stage III, we will never agree to that.

Originally the Commission was a very powerful body. That was necessary in order to get the Treaty moving. But we must now look at the question of turning it into an Executive of the Council of Ministers. It is not politically accountable otherwise.

Then the principle of subsidiarity must be enshrined in Community legislation.

We must turn the Commission into a professional Civil Service - more accountable, politically.

And we must look to a better enforcement of directives. For example, Italy quite cheerfully proposes this and that and everything else - and then just as cheerfully ignores what does not suit them. Try to force this process too far and we will all become subsidiaries of Germany.

Taoiseach:

That is why we think you should take a major part in this debate.

Prime Minister:

There is no paper before us. What does political union mean, are they going to change the Crowned head of every country? Are they going to change the President of your country? Each country has a Parliament. Are they going to change that?

Taoiseach:

It's because of these difficulties

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Prime Minister: that I am proposing that we talk informally over lunch about political union.....

Prime Minister: I am not in a position to commit my country for 7 to 9 years ahead. I don't know what is going to happen in the U.S.S.R. I don't know how Germany will develop. These are all separate States and they all have their own considerations.

Taoiseach: With the German developments it is more important than ever that she should be embedded in the Community.

Prime Minister: But Germany is already in the Community. Most people there are tied to the Deutschmark. Further developments could tie us even more closely to her - as the dominant power in the Community. We need the protection of our sovereignty. At the same time there must be some intermediate condition. Most countries are members of the United Nations. We are members of NATO. Most of us have joined in the Helsinki Accords. We have all done this as separate states.

And then in the Community we have pooled some powers - in agriculture, in trade, in fisheries, on standards and on mergers.

Taoiseach: And also on tax harmonisation.

Prime Minister: I don't want V.A.T. on food and if I did want that I would be accountable to my own Parliament for it - not because I am being directed by a non elected commission. The structure of taxes is quite different in France, in Germany and in the other countries of the Community.

Taoiseach: I agree with you. This is a major problem. Can we turn now to the question of Eastern Europe. Is Gorbachev succeeding? Does he need help? And if he does how best should

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it be given?

Prime Minister:

We can look at this in a few years - bringing in the United States. There is talk of joint ventures. But that is no use in the middle of Russia where there are no supplies, where there is no possibility of transport, where there is no management.

We have got enough on our plate in reaching 1992. We still have the most difficult directives to get through.

And then we have the Helsinki meeting and the question of arms control. The Warsaw pact has not collapsed - it just never quite existed. All this will take a long time to absorb. Then we must remember that in the U.S.S.R. the military are becoming demoralised. They are starting to exert their power again. They are being told under the C.F.E. to destroy things. They are not accepting this. They are moving their best tanks to the other side of the Urals. While we look at the Soviet army we are not looking at a unity but a large number of different ethnic groups. They have to be careful about where they send particular divisions to deal with local disturbances. Then there are the nuclear negotiations..... It is vital for the future of Europe that the United States be kept involved; and that we keep U.S. nuclear capability in Europe, but Baker does not want NATO to have only a military role. He wants to enlarge its political capability. We must enlarge political talks through NATO. That will be the forum in which the free world talks together. We can discuss defence to support the political future - in that framework.

The European Community must deal with its own agenda. There is 1992. There is the Uruguay round and there is the Community's own development.

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Taoiseach:

Then we must find a way of talking to others: that is for the C.S.C.E. - with defence being discussed mainly through NATO -

Taoiseach:

That suits us. NATO could be enlarged politically and could discuss defence, with the role you mention for the C.S.C.E.

Prime Minister:

The Helsinki Accords involve Eastern European and Central Europe and the U.S.S.R. - we must all talk together. Even that is difficult. In this context, some words have different meanings. They don't know what "free enterprise", the "free market" or the rule of law means. They think that means what the Government says. If you speak of setting up a company they don't know what you are talking about. They don't know what a company is.

When we had the earlier C.S.C.E. meeting life was much simpler.

Then there is EFTA.

Taoiseach:

On that there appears to be two views: one that there should be a form of loose association. The Community should not take in more members. The other view is that the Community should go ahead with enlargement to involve some countries.

Prime Minister:

We should have agreements with Turkey - you just can't leave her there. Similarly with Austria and we should look at Norway. The Norwegian P.M. has problems with his Coalition. Half of the Government there don't want to come into the Community.

And then EFTA must make its own decisions. For example, if we want to export cars to the United States we must accept the United States standards. We do not try to tell them what standards to adopt. The EFTA cannot be involved in our decisions.

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- Taoiseach: Austria - and Sweden - do you think they should have membership of the Community?
- Prime Minister: I don't think we should turn them down. We should see where we are in 1994.
- Taoiseach: The Dutch were of the same view. They felt we should keep in touch with them.
- Prime Minister: That will happen through the C.S.C.E. process. Above all I don't want Turkey to fall back into the Muslim world.
- Taoiseach: There is a suggestion that we should look at drugs - in Dublin: and also the environment.
- Prime Minister: That is a colossal problem. We must not give too many derogations. There is a power station in the GDR which, alone, produces more pollution than all the power stations in Sweden put together.
- Taoiseach: It is strange that the Capitalist West should always have been regarded as rapacious - when this sort of thing was going on in the East.
- Taoiseach: We will have a short lunch: after that we will discuss Eastern Europe. Have you views on the C.S.C.E. and on GATT.
- Prime Minister: I was in the U.S. recently. The GATT negotiations are not going very well. The Americans have got hold of the idea that they should look at only agricultural exports subsidies under the GATT. They must also look at producer subsidies. They forget that our export subsidies come partly from producer levies.
- And then they have developed the idea of aggregate measure of support - under this criterion Japan is by far the biggest offender. Japan claims

that its industry is efficient and because it is efficient can export to any market in the world: at the same time they seek to protect their farmers and charge eight times world prices for beef and rice. They are seeking to deny others the right to export to them on the basis of the efficiency of their agriculture: while at the same time, they seek to export their industrial products throughout the world, on the basis of their efficiency in industry.

There is then the question of the green pound. The Germans and the French want to get rid of it by 1992. This would affect the way in which we can reward our farmers. I don't know how you stand on this?

In the Community, Germany has dragged up agricultural prices. We could export without subsidy and this is the way we would like to proceed.

To summarise - I would like to see Eastern Europe, the C.S.C.E., the Uruguay Round and the environment included in your agenda for Dublin.

- Taoiseach: The Bank may also come up.
- Prime Minister: Will you support London as a location?
- Taoiseach: I don't see why not. I think we could support you on that. Berlin has also been mentioned as a location.
- Prime Minister: They should not have it. They are going to be powerful enough.
- And then France has the O.E.C.D., the Council of Europe, Secretary General Delors, Camdessus, Lalumier et al -
- Taoiseach: And the Secretary General of the O.E.C.D.
- Taoiseach: There seem to be two principles. The location should be within the European Community and it should be in an

established banking centre.

Prime Minister: And who should be in charge?

Taoiseach: There are two nominees - Attali and Ruding.

Prime Minister: We are committed to Ruding. We backed him for the IMF. He was really excellent in the job. The only trouble is that if the bank comes to London, then Attali will probably will have to get it. That is not really a good way of doing business. However, Attali is temporary. The bank would be permanent.

Taoiseach: Then Mitterrand raised also, when I was speaking with him, the question of locations for the agencies.

Prime Minister: I wouldn't touch them. You will get nowhere. Only the European Parliament wants the lot in Brussels!

You will finish up with endless trouble if you try to move things around and, in the end, nobody will be satisfied. If the Parliament have to travel - then so be it.

Taoiseach: Then you would go for the status quo! I am inclined to agree.

Prime Minister: On bilateral issues - your Supreme Court is really something! However, I understand that our officials are looking at the question of Extradition and what needs to be done.

Taoiseach: You have the best man in the world in Peter Brooke.

Prime Minister: Yes, he is very good. He is very anxious to get on with the job. I am not optimistic but we will try. He is a man of total integrity and very commanding presence.

Prime Minister: On security, we must keep at it. Some time ago I thought we were winning.

Taoiseach: I think we are still winning. I know that Annesley and the Commissioner meet more frequently than their predecessors and seem to have an extremely good relationship.

Prime Minister: Really your Supreme Court is something! Murder, attempted murder, running guns, and using explosives - these are not political offences. They are criminal acts.

Taoiseach: At the same time security co-operation is very good, getting better all the time.

Prime Minister: Then there is this Semtex - we have not recovered all we should.

Taoiseach: Then you think we should try to get a timetable out of the Chancellor and we must concentrate on the question of transition periods.

Prime Minister: After the war, our industry was devastated. German industry was flattened. They reconstructed their industry, with Marshall aid, from the ground up, with the most modern technology. Their workforce is highly efficient. They will buy German - as the Japanese buy Japanese, and the French buy French. They are highly efficient and totally ruthless. You talk about the European Community. In the end there will only be three powers in the world - the U.S., Germany and Japan. The rest of us must really stand together.

There then followed from general conversation on world prospects - and the prospects for the Council in Dublin, generally.

Dermot Nally
21st April 1990.

C.C. Secretary Dorr,
Assistant Secretary Murphy, Gallagher, and Barrington -
with suitable extracts to Agriculture and Industry and
Commerce.

Continued from 'I'
part of file

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END of file